

RAILROAD COMMISSION OF TEXAS GAS SERVICES DIVISION

GAS UTILITIES INFORMATION BULLETIN

No. 708



RAILROAD COMMISSION OF TEXAS

**Michael L. Williams, Chairman
Charles R. Matthews, Commissioner
Tony Garza, Commissioner**

**Steve Pitner
Director
Gas Services Division**

September 25, 2002

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Final Orders issued in Gas Utilities Docket Nos. 9297 – Statement of Intent of TXU Gas Distribution to change rates in the environs of the cities of the Fort Worth Distribution System, and
Gas Utilities Docket No. 9310 – Statement of Intent of Greenlight Gas to change its gas transportation rate for service to the following cities and nearby unincorporated areas: Clarendon, Dodson, Dozier, Estelline, Hedley, Lakeview, Lelia Lake, Lutie, Memphis, Newlin, Paducah, Samnorwood and Wellington.

SECTION 1
NEW APPEALS AND APPLICATIONS FILED

DOCKET NO. -- 9336
CAPTION -- Rules/Policies – Legal Stds. & Proc.
DATE FILED -- 09/17/2002
FILED BY -- Commission’s Own Motion
EXAMINER -- Mary McDaniel

DOCKET NO. -- 9337
CAPTION -- Petition of Reliant Energy Entex for Declaratory Order.
DATE FILED -- 9/17/2002
FILED BY -- Ann Coffin
EXAMINER --

CASES REFERRED TO SOAH

DOCKET NO. -- 9291
CAPTION -- Request of Texas General Land Office for immediate action to stay abandonment and for establishment of transportation rate on Panther Pipeline, LTD.

DATE REFERRED TO SOAH -- 06/28/2002
SOAH DOCKET NO. -- 455-02-3446
SOAH ALJ -- Wendy Harvel

DOCKET NO. -- 9313
CAPTION -- Petition for review of TXU Gas Distribution from the actions of the City of Arlington, et al.
DATE REFERRED TO SOAH -- 08/21/2002
SOAH DOCKET NO. -- 455-02-4058
SOAH ALJ -- Kerry Sullivan

SECTION 2
APPEALS AND APPLICATIONS SET FOR HEARING OR PREHEARING CONFERENCE

None at this time.

SECTION 3
STATUS OF PENDING CASES

DOCKET NO. -- 9313
SOAH DOCKET NO. -- 455-02-4058
CAPTION -- Petition for review of TXU Gas Distribution from the actions of the cities of Arlington, et al.
STATUS -- Deadline for ruling on the interim appeal is extended until further ordered by the Commission.
EXAMINER --

SECTION 4
NOTICES OF DISMISSAL

None at this time.

**STATEMENT OF INTENT OF TXU GAS
DISTRIBUTION TO CHANGE RATES IN
THE ENVIRONS OF THE CITIES OF
THE FORT WORTH DISTRIBUTION
SYSTEM**

1. TXU Gas Distribution (TXU) owns and operates the natural gas distribution system known as the Fort Worth Distribution System. The Fort Worth Distribution System serves the Cities of Azle, Benbrook, Blue Mound, Burleson, Crowley, Edgecliff Village, Everman, Forest Hill, Fort Worth, Haltom City, Haslet, Kennedale, Lakeside, Lake Worth, North Richland Hills, Richland Hills, River Oaks, Saginaw, Sansom Park Village, Watauga, Westover Hills, Westworth Village, White Settlement, the surrounding environs, and the unincorporated community of Rendon.
2. On April 24, 2002, TXU filed with the Commission a Statement of Intent to increase its rates in the Environs of the Cities of the Fort Worth Distribution System (Fort Worth System Environs).
3. TXU requested an effective date of 35 days after the date TXU filed its Statement of Intent with the Commission.
4. On May 9, 2002, the Commission suspended the implementation of TXU's proposed rates for 150 days beyond the proposed effective date, or until October 7, 2002.
5. TXU provided adequate notice to customers by publishing notice of its statement of intent four consecutive times in *The Fort Worth Star Telegram* prior to June 19, 2002.
6. No environs customer filed a protest, a petition to intervene, or a request for a hearing, and no hearing was conducted on this matter.
7. TXU proposes to change the rates charged to Fort Worth System Environs customers so that the rates are the same as the recently approved rates charged to customers in the respective Fort Worth Distribution System cities.
8. TXU's proposed revenue, excluding gas cost, within the Fort Worth System Environs is \$375,822.
9. TXU's proposed rate increase within the Fort Worth System Environs will result in an overall revenue increase of \$20,128.
10. The data submitted to the Commission in this docket encompasses a full test-year, i.e. the twelve-month period ending December 31, 1999.
11. The percentage of lost and unaccounted for gas in the Fort Worth Distribution System and applicable to the Fort Worth System Environs is 2.11%.
12. The rate case expenses incurred by TXU in this docket are \$13,578.60. TXU proposes recovery of its rate case expenses through a per Mcf surcharge which will be charged over a twenty-four (24) month period.

13. TXU proposes changes in its connection charges for residential and commercial customers. The connection charge during business hours is proposed to be \$35.00. The after-hours connection charge is proposed to be \$52.50. Connection charges are also proposed to be charged on the initial inauguration of service.
14. TXU proposes a read for change charge of \$12.00 that will be charged to residential and commercial customers when it is necessary for a TXU employee to read the meter at a currently served location due to a change in the billable party.
15. TXU proposes returned-check handling charges of \$16.25 for residential and commercial customers for each check returned to TXU for any reason.
16. TXU proposes a delinquent notification charge of \$4.75 for each trip by a TXU employee to a customer's residence or place of business when there is an amount owed to TXU that is past due. The delinquent notification charge would not be made when the trip is required for safety investigations or when gas service is interrupted because of system outage or service work done by TXU.
17. TXU proposes a main line extension rate charge to residential and commercial customers. The charge for extending mains beyond the limit established by franchise for residential and commercial customers would be based on the actual cost per foot of the extension.
18. TXU proposes a charge for installing and maintaining an excess flow valve. A customer who requests the installation of an excess flow valve on a new service line or on a service line being replaced would pay the actual cost incurred to install the excess flow valve. A customer requiring maintenance, repair, or replacement of an excess flow valve would be required to pay the actual cost of locating and repairing or replacing the excess flow valve.
19. TXU proposes a charge for the recovery of connection costs associated with stand-by generators. Commercial customers installing stand-by gas generators to provide service in the event of an interruption in electric service in facilities where gas is not otherwise provided would reimburse TXU for the actual cost of acquiring and installing the regulator, service line, and meter required to provide gas service for the stand-by generators. Gas service provided for the stand-by generators would be billed at the applicable commercial rate.
20. The proposed rate design creates only two customer rate classes: Residential Service and Commercial Service. Public authority rates would be eliminated. Currently, there are no public authority customers in the Fort Worth System Environs. Any future public authority customers would be charged Commercial Services rates.
21. Under the proposed rate increase, the Residential Service rate will consist of a customer charge of \$ 8.00 and a volumetric charge of \$ 3.8301 per Mcf, plus a cost of gas adjustment to be determined in accordance with the Gas Cost Adjustment clause shown in Exhibit A, which is attached hereto and incorporated herein for all purposes.
22. Under the proposed rate increase the Commercial Customer Rate will consist of a customer charge of \$ 14.00 and volumetric charges of \$4.1150 per Mcf for the first 20 Mcf, \$3.8150 per Mcf for the next 30 Mcf, and \$3.6650 per Mcf for over 50 Mcf, plus a cost of gas component to be determined in accordance with the Gas Cost Adjustment clause shown in Exhibit A.
23. The rates and service charges proposed by TXU and described in Findings of Fact Nos. 13 - 23 are just and reasonable.
24. The surcharge to recover rate case expenses proposed by TXU and described in Finding of Fact No. 12 is just and reasonable.

CONCLUSIONS OF LAW

TXU is a gas utility as defined in TEX. UTIL. CODE ANN. §§ 101.003(7), 121.001 (Vernon Supp. 2002) and is subject to the Commission's jurisdiction under TEX. UTIL. CODE ANN. §§ 104.001, 121.051 (Vernon 1998).

The Commission has exclusive original jurisdiction over TXU and TXU's application under TEX. UTIL. CODE ANN. § 102.001(a)(1)(A) (Vernon Supp. 2002), § 104.001 (Vernon 1998).

Pursuant to TEX. UTIL. CODE ANN. § 104.103 (Vernon 1998), TXU provided proper notice of its statement of intent.

The revenue, rates, rate design, and service charges recommended in the findings of fact are just and reasonable, are not unreasonably preferential, prejudicial, or discriminatory, and are sufficient, equitable, and consistent in application to each class of consumers, as required by TEX. UTIL. CODE ANN. §104.003 (Vernon 1998).

The revenue, rates, rate design, and service charges recommended in the findings of fact are reasonable and fix an overall level of revenues for TXU that will permit TXU a reasonable opportunity to earn a reasonable return on its invested capital used and useful in rendering service to the public over and above its reasonable and necessary operating expenses under TEX. UTIL. CODE ANN. §104.051 (Vernon 1998), and otherwise comply with Chapter 104 of the Texas Utilities Code.

The revenue, rates, rate design, and service charges recommended in the findings of fact will not yield to TXU more than a fair return on the adjusted value of the invested capital used and useful in rendering service to the public, as required by TEX. UTIL. CODE ANN. §104.052 (Vernon 1998).

TXU has met its burden of proving that the proposed rates are just and reasonable, under TEX. UTIL. CODE ANN. §104.008 (Vernon 1998).

It is reasonable for the Commission to allow TXU to include a surcharge that allows for the recovery of TXU's reasonable rate case expenses, under 16 TEX. ADMIN. CODE § 7.5530 (West 2002).

It is reasonable for the Commission to allow TXU to include a cost of gas clause in its tariffs that allows the recovery of TXU's gas costs, under 16 TEX. ADMIN. CODE § 7.55 (West 2002).

IT IS THEREFORE ORDERED BY THE RAILROAD COMMISSION OF TEXAS THAT TXU Gas Distribution's rates and service charges as requested and as reflected in the findings of fact are **HEREBY APPROVED** to be charged for gas delivered on or after the date of this Order. These rates and service charges shall apply only in the Fort Worth Environs of TXU as of the date of this order, and shall not apply to any other Fort Worth Distribution System environs system that TXU acquires from another utility after the date of this order.

IT IS FURTHER ORDERED THAT TXU Gas Distribution **SHALL** include in its cost of gas charge only its reasonable and necessary gas purchase expenditures and that the reasonableness and prudence of TXU's gas purchases pursuant to its cost of gas clause are subject to reconciliation and adjustment and potential refunding in a subsequent proceeding.

IT IS FURTHER ORDERED THAT, within 20 days of this order, TXU Gas Distribution **SHALL** file tariffs and rate schedules in proper form that accurately reflect the rates approved by the Commission in this proceeding.

IT IS FURTHER ORDERED THAT, within thirty (30) days of this order, TXU will file with the Commission the exact calculation of the per Mcf surcharge to be assessed to allow recovery of rate case expenses. TXU is hereby authorized to assess that surcharge as detailed in the above Findings of Fact.

IT IS ORDERED THAT all proposed Findings of Fact and Conclusions of Law not specifically adopted herein are **DENIED**.

SIGNED this 20th day of September, 2002.

RAILROAD COMMISSION OF TEXAS

/s/CHAIRMAN MICHAEL L. WILLIAMS

/s/ COMMISSIONER CHARLES R. MATTHEWS

/s/COMMISSIONER TONY GARZA

ATTEST:

/s/ Kim Williamson

SECRETARY

EXHIBIT A

GAS COST ADJUSTMENT

Each monthly bill shall be adjusted for gas cost as follows:

- (1) The city gate cost of gas applicable to current billing month sales shall be calculated to the nearest \$0.0001 per Mcf based upon:
 - (1) A volume factor for lost and unaccounted for gas of 1.0216 determined in establishing the above rate for the distribution system as the ratio of adjusted purchased volumes divided by adjusted sales volumes. Said factor shall be adjusted annually following determination of the actual lost and unaccounted for gas percentage based upon year ended June 30. (Volume factor is show below as Vf.)
 - (2) The city gate rate applicable to volumes purchased during the current calendar month, expressed to the nearest \$0.0001 per Mcf (shown below as ARe@).
 - (3) A base city gate rate of \$2.7535 per Mcf.

In summary, the gas cost adjustment (GCA) shall be determined to the nearest \$0.0001 per Mcf as follows:

$$\text{GCA} = ((\text{Vf}) (\text{Re} - \$2.7535))$$

**STATEMENT OF INTENT OF GREENLIGHT
GAS TO CHANGE ITS GAS
TRANSPORTATION RATE FOR SERVICE TO
THE FOLLOWING CITIES AND NEARBY
UNINCORPORATED AREAS: CLARENDON,
DODSON, DOZIER, ESTELLINE, HEDLEY
LAKEVIEW, LELIA LAKE, LUTIE, MEMPHIS,
NEWLIN, PADUCAH, SAMNORWOOD AND
WELLINGTON**

GAS UTILITIES DOCKET NO. 9310

FINAL ORDER

Notice of Open Meeting to consider this Order was duly posted with the Secretary of State within the time provided by law pursuant to TEX. GOV'T CODE ANN. Chapter 551 (Vernon 1994 and Vernon Supp. 2002). The Railroad Commission of Texas adopts the following findings of fact and conclusions of law and orders as follows:

FINDINGS OF FACT

1. Greenlight Gas, (Greenlight) owns and operates a natural gas transportation system that provides gas service to the city gates of the following cities and nearby unincorporated areas in Texas: Clarendon, Dodson, Dozier, Estelline, Hedley, Lakeview, Lelia Lake, Lutie, Memphis, Newlin, Paducah, Samnorwood and Wellington (hereinafter referred to as the "Cities and Unincorporated Areas").
2. On June 12, 2002, Greenlight filed with the Railroad Commission of Texas (Commission) a Statement of Intent to increase its transportation rates to the city gates of the Cities and Unincorporated Areas.
3. Greenlight requested an effective date of 35 days after the date Greenlight filed its Statement of Intent with the Commission, *i.e.* July 17, 2002. Subsequently, Greenlight revised its effective date to August 28, 2002.
4. On August 20, 2002, the Commission suspended the implementation of Greenlight's proposed rates for 150 days beyond the proposed effective date, or until January 17, 2003.
5. Greenlight provided adequate notice to affected customers by publishing notice four consecutive times in *The Childress Index*, *The Wellington Leader*, *The Paducah Post*, *The Clarendon Enterprise* and *The Memphis Democrat* prior to July 11, 2002.
6. The Commission received one letter concerning the proposed rate increase in which the objection was based on the purchased price of gas. However, no request for intervention as a party to this docket was made.
7. Greenlight's proposed transportation revenue, excluding gas cost, is \$903,836.
8. Greenlight's proposed transportation rate increase will result in an overall revenue increase of \$251,795.
9. The data submitted to the Commission in this docket encompasses a full test-year, *i.e.*, the twelve-month period ending May 31, 2002.
10. Under the proposed rate, the transportation rate will apply to all natural gas volumes transported to the city gates of the Cities and Unincorporated Areas.
11. Under the proposed rate, the transportation rate charged to all city gates of the Cities and Unincorporated Areas will increase

from the current \$1.42 per Mcf to \$1.97 per Mcf.

12. The rates proposed by Greenlight and described in Findings of Fact Nos. 10 and 11 are just and reasonable.

CONCLUSIONS OF LAW

1. Greenlight is a gas utility as defined in TEX. UTIL. CODE ANN. §101.003(7) and TEX. UTIL. CODE ANN. §121.001 (Vernon Supp. 2002) and is subject to the Commission's jurisdiction under TEX. UTIL. CODE ANN. §§104.002 and 121.051 (Vernon 1998).
2. The Commission has exclusive original jurisdiction over Greenlight and Greenlight's application under TEX. UTIL. CODE ANN. § 102.001(a)(1)(A) (Vernon Supp. 2002), '104.001 (Vernon 1998).
3. Pursuant to TEX. UTIL. CODE ANN. § 104.103 (Vernon 1998), Greenlight provided proper notice of its statement of intent.
4. The revenue, rates and rate design recommended in the findings of fact are just and reasonable, are not unreasonably preferential, prejudicial, or discriminatory, and are sufficient, equitable, and consistent in application to each class of consumers, as required by TEX. UTIL. CODE ANN. §104.003 (Vernon 1998).
5. The revenue, rates, and rate design recommended in the findings of fact are reasonable and fix an overall level of revenues for Greenlight that will permit Greenlight a reasonable opportunity to earn a reasonable return on its invested capital used and useful in rendering service to the public over and above its reasonable and necessary operating expenses under TEX. UTIL. CODE ANN. §104.051 (Vernon 1998), and otherwise comply with Chapter 104 of the Texas Utilities Code.
6. The revenue, rates, and rate design recommended in the findings of fact will not yield to Greenlight more than a fair return on the adjusted value of the invested capital used and useful in rendering service to the public, as required by TEX. UTIL. CODE ANN. §104.052 (Vernon 1998).
7. Greenlight has met its burden of proving that the proposed rates are just and reasonable, under TEX. UTIL. CODE ANN. §104.008 (Vernon 1998).

IT IS THEREFORE ORDERED BY THE RAILROAD COMMISSION OF TEXAS that Greenlight's rates as reflected in the findings of fact are **HEREBY APPROVED** to be charged for the transportation of gas on or after the date of this order. These rates shall apply only for gas transportation to the city gates of the cities and unincorporated areas of Clarendon, Dodson, Dozier, Estelline, Hedley, Lakeview, Lelia Lake, Lutie, Memphis, Newlin, Paducah, Samnorwood and Wellington served by Greenlight as of the date of this order, and shall not apply to any system that Greenlight acquires from another utility after the date of this order.

IT IS FURTHER ORDERED THAT within 20 days of this order Greenlight shall file tariffs and rate schedules in proper form that accurately reflect the rates approved by the Commission in this proceeding.

IT IS ORDERED THAT all proposed Findings of Fact and Conclusions of Law not specifically adopted herein are **DENIED**.

SIGNED this 20th day of September, 2002.

RAILROAD COMMISSION OF TEXAS

/s/CHAIRMAN MICHAEL L. WILLIAMS

/s/COMMISSIONER CHARLES R. MATTHEWS

/s/COMMISSIONER TONY GARZA

ATTEST:

/s/ Kim Williamson _____

SECRETARY

SECTION 6
MISCELLANEOUS

STEVE PITNER, GAS SERVICES DIVISION DIRECTOR

1. OFFICE OF THE DIRECTOR

A. Publications

1. Texas Utilities Code Titles 3 and 4. Special Rules of Practice and Procedure and Substantive Rules - \$15.00
2. a. Annual Report for Fiscal Year 2001 – Now available via the Commission’s website at:
<http://www.rrc.state.tx.us/divisions/gs/tablecontents01.html>
a. Annual Report for Fiscal Year 2000 - \$17.00 (includes statistical data for 1999)
b. Annual Report for Fiscal Year 1999 - \$9.00 (includes statistical data for 1998)
c. Annual Report for Fiscal Year 1998 - \$7.00 (includes statistical data for 1997)
3. **2002 Pipeline Safety Rules - \$13.00, includes: 49 CFR 191 & 192 and 16 TAC Sections 7.70-7.74 (gas) 49 CFR 193 (LNG); 49 CFR 195 and 16 TAC Sections 7.80-7.87 (hazardous liquids); 49 CFR 40 and 199 (drug testing).**
4. Distribution and/or Gas Transmission Review forms for Adequacy of Operation, Maintenance and Emergency Manual - To obtain a copy of review forms at no charge, send a request with a self addressed envelope (10" x 13" preferably) with \$0.98 postage.
5. Six MCF Monthly Residential Gas Bill Analysis for Twenty-five Texas Cities - \$2.00 – Now available via the Commission’s website at: <http://www.rrc.state.tx.us/divisions/gs/rap/sixmcf.html>

Anyone who wishes to obtain a copy of any of the publications or maps listed in Section A should contact the Gas Services Division, P. O. Box 12967, Austin, Texas 78711-2967, (512) 463-7167.

B. Interest Rate on Customer Deposits

We have been advised by the Public Utility Commission that the interest rate to be applied to customer deposits in calendar year 2002 is 6.00%. All gas utilities should use this rate.

2. PIPELINE SAFETY SECTION

- A. Austin Headquarters - William B. Travis Building
1701 North Congress, (78701)
PO Box 12967
Austin, Texas 78711-2967 Telephone (512) 463-7058

Mary L. McDaniel, P.E., Assistant Director
William (Bill) Dase, Jr., P.E., Engineer
Terry Pardo, P.E., Engineer
K. David Born, Field Operations Manager
Lee Thying, P.E., Engineer
Maurice Curd, Program Administrator

Amarillo Region 1 - 7102 IH-40 West, Bldg. C., Amarillo, Texas 79106 Telephone (806) 468-7486

Alan Mann, Engineering Specialist

Midland Region 2 - Petroleum Building, 214 West Texas, Suite 803, Midland, Texas 79701 Telephone (915) 570-5884

Glenn Taylor, Area Supervisor (Midland/Amarillo)

Larry Felio, P.E., Engineer

Keith Smith, Engineering Specialist

Tim Murray, Engineering Specialist (Abilene)

Kilgore Region 3 - 619 Henderson Boulevard, Kilgore, Texas 75662 Telephone (903) 984-8581

Bob Oldham, Engineering Specialist

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Austin Region 4 - 1701 North Congress, P. O. Box 12967, Austin, Texas 78711 Telephone (512) 463-7050

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Johnny Burgess, Engineering Specialist

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Danny Nichols, Area Supervisor

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Jim Arnold, Engineering Specialist

Randy Vaughn, Engineering Specialist

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Dallas Region 6 - 1546 Rowlett Rd., Suite 107, Garland, Texas 75043 Telephone (972) 240-5757

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M. Kathryn Williams-Guzman, Engineering Specialist

San Sein, Engineering Specialist

Terry Sullivan, Engineering Assistant

Corpus Christi Region 7 - 10320 IH-37, P.O. Box 10307, Corpus Christi, Texas 78460-0307 Telephone (361) 242-3117

Don Gault, Area Supervisor

Steven Rios, Engineering Specialist

Jesse Cantu, Jr., Engineering Specialist

Ronda Lauderman, Engineering Assistant

B. Monthly Summary (August)

No. of distribution safety evaluations – 115

No. of transmission safety evaluations - 29

No. of liquid safety evaluations - 7

No. of leak/calls - 39

No. of accident investigations - 3

No. of special investigations - 22

C. Reporting of Pipeline Accidents1) NATURAL GAS

Accidents on intrastate gas systems involving \$5,000 property damage, a fatality or injuries, gas ignition, or that are judged significant must be reported by telephone within two hours, and the written report filed within thirty (30) days. Call the 24-hour emergency phone number (512)463-6788 to report an accident. For your convenience this priority phone line is used only to report emergencies.

2) HAZARDOUS LIQUIDS

Accidents on intrastate hazardous liquid pipelines reportable under 49 CFR Sections 195.50 and 195.52 and 16 TAC Section 7.84(a) must be reported by telephone within two hours and the required written report filed within thirty (30) days. Call the 24-hour emergency phone number (512)463-6788 to report an accident. For your convenience this priority phone line is used only to report emergencies.

Rules and Regulations:

[Federal Register: September 10, 2002 (Volume 67, Number 175)]
[Notices]
[Page 57484-57485]
From the Federal Register Online via GPO Access [wais.access.gpo.gov]
[DOCID:fr10se02-149]

DEPARTMENT OF TRANSPORTATION

Research and Special Programs Administration

Pipeline Safety: Safety of Liquefied Petroleum Gas (LPG)
Distribution Systems

AGENCY: Research and Special Programs Administration (RSPA), DOT.

ACTION: Notice; issuance of advisory bulletin.

SUMMARY: This advisory bulletin urges owners and operators of liquefied petroleum gas (LPG) distribution systems to review their compliance with all leak detection, corrosion monitoring, and emergency response procedures, including training of emergency response personnel and liaison with emergency responders. Heavy rains and frozen soils can cause leaking propane to migrate to low areas, such as basements, and impede measurement of the presence of combustible gas.

FOR FURTHER INFORMATION CONTACT: Richard Huriaux, (202) 366-4565; or by e-mail, richard.huriaux@rspa.dot.gov. This document can be viewed at the OPS home page at <http://ops.dot.gov>.

SUPPLEMENTARY INFORMATION:

I. Background

On September 1, 2002 a propane gas explosion leveled a house in Snow Hill, MD. An employee of the local gas distribution company was killed and 17 emergency responders and others were injured, four critically. The accident is under investigation by the Maryland Public Service Commission. Initial

[[Page 57485]]

observations indicate that the propane gas explosion occurred as the basement was being mechanically ventilated. The propane gas may have leaked into the house from a corroded service line.

The Federal pipeline safety regulations for gas pipeline systems (49 CFR part 192) provide safety requirements for corrosion control, leak detection, operations and maintenance, and emergency response for LPG systems. Leak detection on LPG systems is complicated because LPG is heavier than air and has a lower explosive limit (LEL) of 2 percent in air. Leak detection equipment must be calibrated to detect this lower concentration. Leak detection may also be complicated by extremely wet or frozen soils and by ineffective leak detection procedures. Wet or frozen soils can effectively cap an area of leaking gas and cause gas that had been venting through the soil into the air to be redirected along underground utility lines or through loosely compacted soils into structures, especially basements. Both these conditions require leak detection procedures that emphasize measurement of gas below the surface of the soil or pavement. Usually this is accomplished by "bar holing" and examination of below ground areas, such as manholes, storm drains, and basements.

In addition, the gas pipeline safety regulations require an operator to establish and follow written procedures for responding to an LPG pipeline emergency (49 CFR 192.615). The operator's emergency plan for LPG must recognize its different characteristics.

The operator must establish effective communications between utilities and appropriate fire, police, and other public officials. The regulations require a continuing educational program to enable customers, the public, and appropriate government organizations to recognize an LPG pipeline emergency and to take action to notify the gas operator and local emergency responders (49 CFR 192.616).

Prompt and effective response is required when gas is detected in or near a building. All actions should be directed to protecting people through a prompt evacuation of the affected buildings and securing the area.

RSPA and its state pipeline safety program partners have recently issued a manual to assist LPG pipeline operators in safely operating their systems and effectively responding to emergencies. The Training Guide for Operators of Small LP Gas Systems, which was prepared for RSPA by the National Association of Regulatory Utility Commissioners, includes information on LPG pipeline system operations and maintenance and on preparing the required emergency response manual. Chapter X addresses gas leakage control guidelines for LPG systems. It includes guidelines for the detection, grading, and control of gas leakage for systems handling LPG and other heavier-than-air gas mixtures.

Another excellent source of information on complying with the gas pipeline safety regulations is the Guide for Gas Transmission and Distribution Piping Systems (copyright) (ANSI GPTC Z380.1-1998), which is published by the Gas Piping Technology Committee. The document provides useful detail on written emergency procedures, including making the area safe through evacuation, access control, elimination of sources of ignition, ventilation, and coordination with emergency responders. It also addresses procedures for establishing liaison and emergency planning with public officials.

II. Advisory Bulletin (ADB-02-05)

To: Owners and Operators of Liquefied Petroleum Gas (LPG) Distribution Systems.

Subject: Safety of Liquefied Petroleum Gas (LPG) Distribution Systems

Purpose: To advise owners and operators of liquefied petroleum gas (LPG) distribution systems

Advisory: Owners and operators of liquefied petroleum gas (LPG) distribution systems should review their compliance with all leak detection, corrosion monitoring, and emergency response procedures, including training of emergency response personnel and liaison with other agencies.

LPG system operators should ensure that their procedures are adequate to detect leaks of heavier-than-air gas. LPG leaks do not dissipate as readily as does the natural gas, which is lighter than air and tends to rise through the soil. Leak detection may also be complicated by extremely wet or frozen soils that effectively cap an area of leaking gas and cause gas that had been venting through the soil into the air to be redirected along underground utility lines or through loosely compacted soils into structures, especially basements. Both these conditions require a leak detection procedure that emphasizes measurement of gas below the surface of the soil or pavement. Usually this is accomplished by "bar holing" and examination of below ground areas, such as manholes, storm drains, and basements.

In addition, the gas pipeline safety regulations require an operator to establish and follow written procedures for responding to LPG pipeline emergencies (49 CFR 192.615). This includes establishment of communications systems between utilities, and appropriate fire, police, and other public officials. The regulations also require an operator to establish a continuing educational program to enable customers, the public, and appropriate government organizations to recognize a gas pipeline emergency and to take action to notify the gas operator and local emergency responders (49 CFR 192.616).

Prompt and effective response is required when gas is detected in or near a building. All actions should be directed to protecting people first through a prompt evacuation of the buildings, followed by establishing access control, elimination of sources of ignition, ventilation, and coordination with emergency responders.

Issued in Washington, DC, on September 5, 2002.

Stacey L. Gerard,

Associate Administrator for Pipeline Safety.

[FR Doc. 02-22952 Filed 9-9-02; 8:45 am]

BILLING CODE 4910-60-P

[Federal Register: September 19, 2002 (Volume 67, Number 182)]
[Proposed Rules]
[Page 59045-59046]
From the Federal Register Online via GPO Access [wais.access.gpo.gov]
[DOCID:fr19se02-30]

DEPARTMENT OF TRANSPORTATION

Research and Special Programs Administration

49 CFR Part 195

[Docket No. RSPA-01-9832]
RIN 2137-AD59

Pipeline Safety: Hazardous Liquid Pipeline Operator Annual Report Form

AGENCY: Office of Pipeline Safety, Research and Special Programs Administration, U.S. Department of Transportation.

ACTION: Notice of proposed rulemaking; extension of comment period.

SUMMARY: This notice extends the period for public comment from September 24, 2002, to November 22, 2002, on the Notice of Proposed Rulemaking (NPRM) published in the Federal Register on July 26, 2002, requiring an annual report for hazardous liquid pipeline operators (proposed form RSPA F7000-1.1).

DATES: Comments on the NPRM must be received by November 22, 2002.

ADDRESSES: You may submit written comments by mail or in person by delivering an original and two copies to the Dockets Facility, U.S. Department of Transportation, Room PL-401, 400 Seventh Street, SW., Washington, DC 20590-0001. Or, you may submit written comments to the docket electronically at the following Web address: <http://dms.dot.gov>. See the SUPPLEMENTARY INFORMATION section for additional filing information.

FOR FURTHER INFORMATION CONTACT: Roger Little by phone at (202) 366-4569, by e-mail at roger.little@rspa.dot.gov, or by mail at the Office of Pipeline Safety, Room 7128, 400 7th St. SW., Washington, DC, 20590, regarding the subject matter of this notice or to access comments in the docket.

SUPPLEMENTARY INFORMATION:

Filing Information, Electronic Access, and General Program Information

The Dockets facility is open from 10 a.m. to 5 p.m., Monday through Friday, except federal holidays. All comments should identify the docket number of this notice, RSPA-01-9832. You should submit the original and one copy. If you wish to receive confirmation of receipt of your comments, you must include a stamped, self-addressed postcard. To file written comments electronically, after logging onto <http://dms.dot.gov>, click on "Electronic Submission" and follow the instructions. You can read comments and other material in the docket at this Web address: <http://dms.dot.gov>. General information about our pipeline safety program is available at <http://ops.dot.gov>.

Background

On July 26, 2002, the Research and Special Programs Administration's Office of Pipeline Safety (RSPA/OPS) issued a NPRM (67 FR 48844) to require hazardous liquid pipeline operators to submit an annual report (proposed form RSPA F7000-1.1). The report form asks for information that RSPA/OPS does not currently collect, such as: breakout tank location and capacity; hazardous liquid pipeline mileage by State, diameter and decade installed. The report will be due March 15 of each year for the previous calendar year, aligning with the annual reporting schedule for natural gas pipeline operators. RSPA/OPS will use information from the report to more effectively compile national statistics on system inventory; analyze accidents; identify safety problems and potential solutions; and target inspections. The proposed form asks for information similar to information RSPA/OPS currently collects for natural gas pipelines. The proposed information collection is part of RSPA's/OPS's overall strategy for improving the quality of pipeline statistics and addresses a longstanding data gap in hazardous liquid pipeline inventory information. On August 23, 2002, the American Petroleum Institute (API) and the

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Association of Oil Pipelines (AOPL) submitted a request on behalf of their pipeline members for a 60 day extension of the comment period. API and AOPL indicated that additional time would enable operators to better understand the type of data to be collected on the proposed hazardous liquid pipeline annual report and to determine whether operators are now collecting information that would meet the needs of OPS. Because most of the API and AOPL membership is affected by this rulemaking, and because an annual report has never been required of hazardous liquid pipeline operators, RSPA/OPS is extending the deadline for comments on this NPRM. Pursuant to 49 CFR 190.319, good cause has been shown by the petitioners for extension of the comment period, namely, API and AOPL. Extension of the comment period is consistent with the public interest and is granted to all persons.

Issued in Washington, DC, on September 16, 2002.
Stacey L. Gerard,
Associate Administrator for Pipeline Safety.
[FR Doc. 02-23837 Filed 9-18-02; 8:45 am]
BILLING CODE 4910-60-P

3. AUDIT SECTION**A. Maintains headquarters and three district offices as follows:**

Headquarters - William B. Travis Building

1701 North Congress, P. O. Box 12967, Austin, Texas 78701

Ed Abrahamson, Assistant Director

Telephone (512) 463-7022

Dallas District- 1546 Rowlett Rd., Suite 107, Garland, Texas 75043

Telephone (972) 240-5757;

Fax (972)303-

1897

Stephen Cooper, Auditor

Josh Settle, Auditor

Austin District- P. O. Box 12967, Austin, Texas 78711-2967

Telephone (512) 463-7022

Houston District- 1706 Seamist Drive. Suite 501, Houston, Texas 77008-3135

Telephone (713) 869-8425;

Fax (713)869-3219

Mark Brock, Supervising Auditor

Dale Francis, Auditor

Margie Stoney, Auditor

Konata Uzoma, Auditor

Lekisha Churchwell, Auditor

Larry Alcorn, Auditor

B. Gas Utility Tax, Annual Reports and Audit Reports

Questions relating to gas utility tax, annual reports and audit reports, call Shannon L. Miller at (512) 463-7022.

C. Available Information

Copies of company annual reports (1994 to present), as well as information relating to any of the above, A through C, are available for review at the William B. Travis Building, Gas Services Division, 9th Floor, 1701 North Congress. All requests for copies must be made in writing and should be addressed to the Audit Section. Copies will be provided for a fee, depending on the volume of copy work desired, allow a minimum of five days for completion of requests. Inquiries regarding copies should be directed to the Audit Section at (512) 463-7022, or Fax your request to (512) 475-3180.

4. REGULATORY ANALYSIS AND POLICY**A. Maintains the following office to assist you:**

Headquarters - William B. Travis Building

1701 North Congress, P.O. Box 12967, Austin, Texas 78711

Karl Nalepa, Assistant Director

Telephone (512) 463-7164

B. Gas Utilities Information BulletinPublished on the Commission's web site at: <http://www.rrc.state.tx.us/divisions/gsap/rapbls.html>.**C. Proposals For Decision**Published on the Commission's web site at: <http://www.rrc.state.tx.us/divisions/gsap/pfds.html>.**D. Tariff Filings**

Questions pertaining to the filing of tariffs and/or quality of service rules should be directed to Kathy Arroyo, Yolanda Lovelace or Sandra Soto at (512) 463-7164.

E. Curtailments

Curtailment questions should be referred to Sandra Soto at (512) 463-7164. Curtailment reports made Monday through Friday, 8:00 a.m. to 5:00 p.m., should be made to (512) 463-7164. Curtailment reports made during hours other than those specified above and holidays, should be made to (512) 463-6788, (512) 896-3863 (digital pager), (512) 892-1772 or (512) 280-5949.

F. Compliance Filings

Questions regarding gas utilities docket compliance filing requirements should be referred to Jackie Standard at (512) 463-7164.

G. Complaints and Inquiries

All complaints and inquiries relating to the gas utility industry should be directed to the Regulatory Analysis and Policy section at (512) 463-7164.

H. Rules and Regulations:

GUD No. 9221 Amendments to Quality of Service Rules

GUD No. 9253 New Rule for Relocation Cost Recovery Factor

GUD No. 9257 Amendments to §7.450 Gas Distribution in Mobile Home Parks, Apartment Houses and Apartment Units.

GUD No. 9275 Amendments to §7.512 NGPA Section 311 Rate Review

GUD No. 9276 Amendments to §7.511 TUC Section 102.054 Sale, Transfer, Merger Reviews

GUD No. 9277 Amendments to §7.305 Curtailment Rule

GUD No. 9303 Amendments to §7.465 Abandonment Rule

GUD No. 9334 Amendments to §7.310 System of Accounts

5. HEARINGS AND LEGAL ANALYSIS**A. Miscellaneous**

Anyone wishing to obtain copies of appendices to Orders appearing in Section 5 of this Bulletin should contact the Legal Division at (512) 463-7017.

B. Status of Pending Cases

The status of all pending cases listed in Section 3 of this Bulletin is for informational purposes only and is complete up to the time of printing of this Bulletin. For a more accurate status of pending cases, please call the Legal Division at (512) 463-7017.